

CONFIDENTIAL

December 21, 1964

4/4/67

NOTE to [] (MEMO FOR THE RECORD):

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I will answer your comments in the order in which you made them.

1. In the first paragraph you request information dealing with the destruction of records. This should never cause any concern because we have our own records disposal program and we operate in accordance with that. In other words, we are the ones who determine when and what we will dispose of so there should be no problem from this standpoint.

2. As you recall, some time ago I notified you that I had talked with [] concerning the subject of the 1% administrative allowance. At that time an agreement was reached whereby we would not be required to justify our need for our administrative charge. They agreed to accept a statement from us to the effect that so much money, representing 1%, for a specific period was deducted from the payment. No other information would be required. However, as you recall, we agreed that should further information be required at any time, you would divulge that which was necessary to []. These arrangements have been verified with [] this morning. I think this will clear up this question that was in your mind.

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3. The last item in question was the matter of recommendation for D/Pers. concerning the disposition of this 1% administrative allowance. It seems to me that the only thing we can give him in the way of information, would be the fact already established, i. e. [] are being paid from this money and, further, that they are doing work in connection with the federal employees health benefits program.

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If there is any other information you desire, please let me know.

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